



## DEPARTMENT OF GENERAL SERVICES

Isiah Leggett  
*County Executive*

David E. Dise  
*Director*

December 21, 2009

Dear Business Owner:

On December 18, 2008, the County Executive announced an 11-point program designed to preserve jobs and ease some of the burden on local businesses suffering from the national economic downturn. The survival and sustainability of small businesses in Montgomery County is extremely important.

Following recommendations made by the County Executive, in April 2009, the County Council adopted Bill 3-09 and Executive Regulation 2-09 that resulted in significant enhancements to the Local Small Business Reserve Program (LSBRP). This new legislation incorporates several changes that make it easier for County Government to purchase more goods and services directly from businesses registered with the LSBRP. Most importantly, the mandatory departmental spending goal was increased to 20 percent of eligible contracts and will increase County spending with small businesses by an estimated \$10,000,000.

In order to reach the higher spending goal, the employee size limits were doubled. Under the new law, some small businesses may employ up to 50 employees. The increased workforce size will allow businesses to expand operations or capitalize and remain in the program.

The new LSBRP gross sales limits are \$5,000,000 and \$14,000,000 annually depending on the type of business. The combination of the new employees and gross sales thresholds will result in hundreds of new contracting opportunities. The higher earning limits will make it possible for the County to award larger and more complex contracts locally. As an example, the Department of Technology Services recently awarded several IT contracts to LSBRP vendors to assist with the modernization of the County's technology system. The Department of General Services has issued an LSBRP solicitation for architectural/engineering services for a major County project.

The Department of General Services' Office of Business Relations and Compliance (OBRC) is working with departments and agencies to implement and expand contracting opportunities for local small businesses. In order to ensure a healthy small business economy, the OBRC will:

1. Review expiring contracts to determine appropriateness for the LSBRP.
2. Review contracts to determine if local small businesses are registered to respond to the solicitations.
3. Work with departments to unbundle large contracts to be reissued as LSBRP opportunities.
4. Increase annually the number of LSBRP solicitations and contract awards.
5. Remove artificial barriers to small businesses.

Many qualifying businesses are not aware of the new LSBRP thresholds and are missing out on millions of dollars in County contracting opportunities. In order to inform potential vendors of contracting opportunities the OBRC will:

1. Conduct public forums and networking events to allow County department directors and contract administrators to discuss upcoming contracting opportunities with the business community.
2. Launch a new LSBRP website, [montgomerycountymd.gov/LSBRP](http://montgomerycountymd.gov/LSBRP), that includes:
  - Current contracting opportunities
  - Contracts awarded to LSBRP vendors
  - Anticipated solicitations by departments
3. Implement an email distribution system to alert vendors of upcoming opportunities.
4. Launch a Facebook page.
5. Establish an LSBRP Speakers' Bureau for meetings and workshops.
6. Collaborate with chambers of commerce, businesses, and professional and community groups to promote the LSBRP.

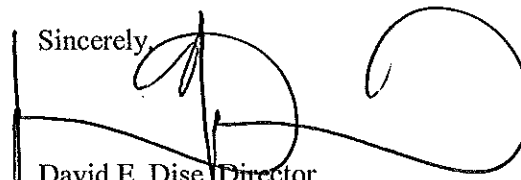
All LSBRP contracts are *prime contracts*. LSBRP vendors are encouraged to subcontract if needed on larger contracts. There are no limits on subcontracting with non-LSBRP business and it is encouraged by the program.

The success of this program is directly related to the number of registered LSBRP vendors. If a business is located in Montgomery County and meets the thresholds and provides goods, services, manufacturing or construction for which the County contracts, the business should register with the LSBRP.

The OBRC is responsible for the implementation of the new law. Attached is the revised LSBRP brochure. Questions concerning the LSBRP should be directed to Ken Taylor, Manager OBRC, 240-777-9921.

The new legislation is the result of an outstanding collaboration involving several County departments, the County Council, and the business community. Please take a few minutes to read the attached brochure for additional information or visit the LSBRP website: [montgomerycountymd.gov/LSBRP](http://montgomerycountymd.gov/LSBRP). I am confident that these and other economic measures will create an even healthier small business community in Montgomery County.

Sincerely,



David E. Dise, Director  
Department of General Services

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Enclosure: LSBRP Brochure